

**REMARKS**

This Application has been carefully reviewed in light of the Decision on Appeal mailed December 1, 2008. For the reasons given below, Applicants submit that the amended claims are patentably distinguishable over the cited reference. Applicants, therefore, respectfully request reconsideration and favorable action in this case.

In its Decision on Appeal, the Board of Patent Appeals and Interferences (BPAI) agreed with the Examiner that the appealed independent claims did not explicitly require PMD compensation of an ingress signal before such a signal is combined with a locally-generated signal. Thus, Applicants have deleted their previous attempts to recite such a limitation (using the wherein clauses rejected by the BPAI) and have amended the independent claims to more clearly and explicitly recite the limitation at issue.

Applicants note that the judges of the BPAI stated that they “do not necessarily disagree with Appellants that the polarization diversity receiver system of Noe performs differently than the system *disclosed* by Appellants, it is the *claimed* invention that is before us on appeal.” Therefore, Applicants have endeavored to amend the claims to be consistent with Applicants’ arguments on appeal regarding what was disclosed in the present application (which the BPAI found was not claimed). For the reason, Applicants believe that the claims are now in condition for allowance.

Therefore, Applicants respectfully request reconsideration and allowance of all pending claims.

**CONCLUSION**

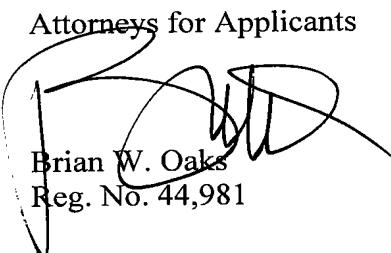
Applicants have made an earnest attempt to place this case in condition for allowance. For at least the foregoing reasons, Applicants respectfully request full allowance of all the pending claims.

If the present application is not allowed and/or if one or more of the rejections is maintained, Applicants hereby request a telephone conference with the Examiner and further requests that the Examiner contact the undersigned attorney to schedule the telephone conference.

Applicants believe no fees are due, however, the Commissioner is hereby authorized to charge any deficiency or credit any overpayment to Deposit Account No. 02-0384 of BAKER BOTTS L.L.P.

Respectfully submitted,

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